



Aetna Ambulance Service, Inc

Aetna Ambulance :- Ambulance Service of Manchester

February 26, 2015

Testimony of John A. Zarrella

HB 6846- AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS
FOR HUMAN SERVICES PROGRAMS

Human Services Committee, Thursday, February 26, 2015

Senator Moore, Representative Abercrombie and Distinguished Members of the Committee.

My name is John Zarrella. I am a member of the Association of Connecticut Ambulance Providers and Assistant Director of Operations for Aetna Ambulance Service, Inc. and the Ambulance Service of Manchester. I would like to offer testimony in opposition to Section 17 of HB 6846-AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR HUMAN SERVICES PROGRAMS

Ambulance services are different than any other healthcare provider in that our non-Medicaid rates are set annually and are regulated by the Department of Public Health. Connecticut EMS services have endured cuts over the past four years.

- Medicaid reimbursement for ambulance transportation was reduced cut by 10% in July, 2011 and again by 10% in January, 2013.
- Medicare reimbursement for ambulance services was reduced 2% in March, 2013 for all ambulance transports and again in October, 2013 an additional 10% for Dialysis ambulance transports.
- Our largest number of transports comes from Hartford. In Hartford our services transfer over 35,000 emergency ambulance calls a year. Additionally our services respond to more than 8,000 emergency calls that do not result in a transport; without a transport we cannot bill for the emergency response even though a vehicle was dispatched with professional staff responding. For these 8,000 non-transports we don't receive ANY reimbursement.

46% transported are Medicare recipients - The average collection per call = \$400.00

37% transported are Medicaid recipients - The average collection per call = \$197.00

17% transported have Private insurances - The average collection per call = 600.00

Medicaid currently pays \$197.00 per transport that amount barely covers the cost of payroll and taxes not to mention the cost for the vehicle, insurance and fuel and any medications, any medical supplies or services provided to the patient.

- If ambulance services lose the Medicare crossover payment from Medicaid which currently pays the patients 20% co pay this will represent a loss of 20% of the average emergency for those patients that are also on Medicaid, ($\$400.00 \times 20\% = \80.00) per call.
- Emergency ambulance services in the larger cities are already not profitable; this cut if implemented will be catastrophic to urban area ambulance services. Supporting this bill would be a disaster to ambulance companies in cities like Hartford because this is where the high numbers of Medicaid patients reside.

Respectfully Submitted,
John A. Zarrella